



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

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DIV. OF OIL, GAS & MINING

cc: Wayne

October 27, 2015

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Mr. Kim Wilson
Pandora Mineral Resources, LLC
PO Box 142
Hanksville, Utah 84734

**COMMENCEMENT OF PANDORA (FORMERLY GOLDEN EAGLE) PLACER
MINE, PHASE II, PLAN OF OPERATIONS**

Pandora Mineral Resources, LLC (Pandora) proposes to commence small mining operations on 8.264 acres in the S1/2SE1/4NW1/4 of Section 29, T.31 S., R.11 E., SLB&M, located on the Golden Eagle #103 claim (UMC #414268). The proposed excavation(s) would be conducted in four (4) stages measuring 300 feet by 1,200 feet total. Each stage would be recontoured to natural grade and access roads obliterated comprising a "rolling" reclamation program concurrent to execution of the next mining stage. The operation is designed to process 100 to 200 tons per hour using trailer mounted "Aerosort" dry air ore concentration equipment. Mining and excavation equipment would include the use of rubber tired loaders and transport and water trucks, a tracked D8 or D9 bulldozer and one tracked 345 Caterpillar excavator or backhoe. Site access would be via existing county maintained roads with the exception of one new road described as 80 feet long and 10 feet wide to allow ingress and egress to the operations site. No site occupancy is authorized. This Plan of Operations was approved by Decision Record and Letter establishing the Conditions of Approval and Financial Guarantee Required, dated 4/16/2012.

On August 27, 2015, Pandora Minerals was issued a letter regarding the Financial Guarantee required prior to commencement of Phase II of the Plan of Operations. The financial guarantee (bond) in the amount of \$11,400.00 for Phase I would be released and/or augmented to satisfy the required financial guarantee of \$50,400.00 for Phase II of the project. The Phase II financial guarantee held jointly by the Bureau of Land

Management (BLM) and Utah Division of Oil, Gas and Mining (UDOGM) has been received and was adjudicated on October 7, 2015.

Therefore, the requirements of the letter dated August 27, 2015 have been met and you may commence with your Plan of Operations as outlined in the Plan of Operations as Amended, dated January 5, 2012; the previously provided Decision documents (4/26/2012); and in accordance with the following Conditions of Approval. Pandora Minerals is responsible for obtaining any use right or local, State or Federal permits, licenses or reviews that may be required for the subject mining operation.

CONDITIONS OF APPROVAL

1. In order to prevent unnecessary and undue degradation, operations must comply with all applicable regulations contained in Title 43 Code of Federal Regulations part 3715 and 3809, and other Federal, State and local laws, regulations and ordinances related to environmental protection and protection of cultural resources.
2. Any changes to the Plan dated January 5, 2012 must be approved by the BLM prior to implementing such changes.
3. Prior to beginning operations, operator will obtain and comply with the terms and conditions of all necessary permits including those from Utah Division of Oil, Gas and Mining (UDOGM), Utah Department of Environmental Quality (UDEQ), and Garfield County.
4. Must protect and preserve all government survey monuments that may be present in the area where mining activities occur.
5. Any cultural, historic, and/or paleontological resources discovered during mining operation shall be immediately reported to the Authorized Officer. All operations in the immediate area of such discovery shall be suspended until written authorization to proceed is issued by the BLM.
6. Agrees to indemnify and hold harmless the United States from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of the Operator or Operator's agents and employees, or contractors to comply with the approved Plan of Operations.
7. Unless an exception is granted in writing from the Authorized Officer each year, no surface disturbance under this Plan of Operations is authorized between November 1 and May 15, the bison crucial winter range seasonal restriction period. Surveys for bison will be required and conducted by BLM staff in mid-October of each year to determine if an exception to the bison seasonal restriction could be granted allowing mining activities to continue from November 1 through December 14. Surveys for bison will also be required in early April to determine if an exception could be granted from April 15 through May 15.
8. No surface disturbance under this Plan of Operations will be authorized between December 15 and April 15, the mule deer crucial winter range seasonal restriction period.
9. Surveys will be required and conducted by the BLM prior to beginning operations each season to determine if migratory birds are using the area and if nesting is

occurring within or directly adjacent to the project area. If significant numbers or nests are found, additional mitigation will be required prior to resuming mining operations.

10. All existing roads will be kept in good repair during all phases of operation and will be maintained as necessary to prevent erosion.
11. Culverts may need to be installed along the proposed road. Energy dissipating structures will be utilized to minimize erosion at the culvert crossings. Adequate drainage structures will be incorporated into the remainder of the road if necessary.
12. The access road will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion and impacts to adjacent areas.
13. The new road proposed shall be obliterated during reclamation of the project.
14. Diversion ditches will be constructed around the project site to prevent surface waters from entering the mining area.
15. Surface disturbances that are created on public land as a result of mining operations will be reshaped, re-contoured, and seeded with the BLM approved seed mixture provided below. There shall be no primary or secondary noxious weeds in the seed mixture. The seed shall be certified weed-free seed. All seeding will be done in mid to late fall (October/November), to prevent premature sprouting and subsequent winter killing of the forb species, due to late summer/early fall precipitation combined with warm soil temperatures. The Authorized Officer is to be notified a minimum of 15 days prior to seeding of the project area.

Table 4.1. BLM Approved Seed Mix

Common Name	Scientific Name	Bulk Pound	Bulk Pounds per acre (Broadcast)
Bottlebrush Squirreltail	<i>Sitanion hystrix</i>	1	0.85
Sideoats Grama	<i>Bouteloua curtipendula</i>	1	0.73
Galleta	<i>Hilaria jamesii</i>	2	1.59
Scarlet Globemallow	<i>Spaeralcea coccinea</i>	0.5	0.43
Needle and Thread	<i>Stipa comata</i>	1	0.81
Indian Ricegrass	<i>Oryzopsis hymenoides</i>	1	0.91
Totals			5.32

All of the seed shall be mixed together, and be either broadcast seeded or drill seeded. Greentech will have three growing seasons following completion of the mining operations to re-establish vegetation on the reclaimed areas. Failing this, the Authorized Officer may accept whatever level of reclamation is achieved if a good faith attempt at reclamation has been demonstrated by the Holder, or may require additional reclamation measures.

16. Any accidental spills of lubricants, oil, diesel, hydraulic fluids or other hydrocarbons, solvents, or potentially deleterious materials will be promptly

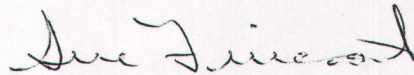
cleaned up and any contaminated material(s) will be disposed of in an authorized landfill.

17. All operations generated debris and trash shall be cleaned up and removed from the public lands and disposed of in an authorized landfill.
18. All mining equipment shall be power washed prior to entering the mining site. Greentech Mining shall be responsible for weed control on all disturbed sites until the disturbed sites are properly rehabilitated.

On October 13, 2015, Pandora requested an exemption from the bison crucial winter range seasonal restriction period, November 1 to May 15 (Condition #7 above). A bison survey was conducted by BLM and an exception to the bison seasonal restriction for the period of November 1, 2015 through December 14, 2015 is hereby granted. As noted in the Conditions of Approval, no surface disturbance under this Plan of Operations will be authorized between December 15 and April 15.

Approval of a Plan of Operations by BLM does not constitute a determination regarding the validity or ownership of any mining claim(s) involved in the mining operation.

Sincerely,



Sue Fivecoat
Assistant Field Manager

cc: Mr. Milton A. Turner
Wayne Western, UDOGM